



ENERGY ASSURANCE DAILY

Monday, August 21, 2006

Electricity

Entergy's 1,157 MW Waterford Nuke in Louisiana Returns to Full Power Aug. 19

The 1,157 MW nuclear reactor resumed full power on August 19 after maintenance work. The production was reduced to 86 percent of capacity last week to clean equipment in the circulation water-condenser system.

Bloomberg News, 09:26 August 21, 2006

TVA's 1,150 MW Browns Ferry 3 Nuke in Alabama Shut Aug. 19

Tennessee Valley Authority shut the nuclear unit on August 19 when two pumps failed to circulate water through the reactor. The cause of the pump failure is being reviewed and the unit will be back in service as soon as they finish the assessment.

Bloomberg News, 09:17 August 21, 2006.

Progress Energy's 838 MW Crystal River Nuke Shut in Florida Aug. 19

The 838 MW nuclear unit shut on August 19 to repair a leak of non-radioactive feedwater.

Bloomberg News, 10:19 August 21, 2006

LS Power's 739 MW Moss Landing 7 Gas-Fired Unit in California Returns to Service Aug. 20

The 739 MW unit in Monterey County was shut on August 17 and returned to service by August 20, according to the California Independent System Operator.

Reuters, 08:21 August 21, 2006

OPG's 490 MW Lambton Coal-Fired Unit in Ontario Shut Aug. 21

Ontario Power Generation's 490 MW unit shut for a short-term outage and it is not known when the unit will be back to service.

Reuters, 09:03 August 21, 2006

OPG's 490 MW Nanticoke Coal-Fired Units 3, 6 Returns to Service Aug. 21

OPG's coal-fired units 3 and 6 shut on August 17 and August 14, respectively, and both units returned to service early August 21, according to the Independent Electricity System Operator.

Reuters, 08:10 August 21, 2006

Petroleum

Update: BP's Prudhoe Bay Production Restored to 235,000 b/d

On Friday, BP executive Steve Marshall told Alaska lawmakers that the company had restored production to 217,000 b/d from the western half of its Prudhoe Bay oil field, up from 150,000 b/d reported in a Thursday filing. He also said that the company was producing 18,000 b/d from its Point McIntyre satellite oil field, which is part of the Eastern Operating Area (EOA). The rest of the EOA remains shut while BP inspects about 5 miles of pipeline for corrosion. Marshall said that preliminary results showed that the line was in good condition but he did not say when he expected full production of 400,000 b/d to be restored. On Thursday, a BP spokesman had said that the company was looking into options for reopening the EOA, including installing a bypass line. BP had a bypass line up and running one month after the company's March 2006 pipeline leak.

The Oil Daily, August 21, 2006

<http://www.casperstartribune.net/articles/2006/08/21/news/regional/0d63faacbf7634a0872571ce0070af45.prt>

Alaska May Sue BP to Recover Lost Revenue

On Friday, Alaska's Attorney General ordered BP and its partners in the 400,000 b/d Prudhoe Bay oil field to hand over documents on corrosion management practices. The State is considering taking legal action to recover revenues lost due to the partial shutdown of the field. Depending on the results of an investigation, BP could face "criminal liability for criminally negligent conduct resulting in an oil spill and civil penalties for the full amount of actual damages for discharging petroleum on state land." BP has publicly denied a report in the Financial Times that claims the company manipulated inspection data to avoid replacing corroded pipelines.

http://biz.yahoo.com/rb/060818/energy_bp_prudhoe.html?v=6

<http://business.timesonline.co.uk/article/0,,9072-2322420,00.html>

<http://news.bbc.co.uk/2/hi/business/5270286.stm>

Unplaced Foreign Crude Waiting in U.S. Gulf of Mexico

According to a report in the Oil Daily, foreign cargoes of crude oil are stuck in the U.S. Gulf market. The cargoes were originally intended to move to the U.S. West Coast but have been unable to attract buyers despite the Prudhoe Bay shutdown.

The Oil Daily, August 21, 2006

Update: Mars Platform Returns to Pre-Katrina Levels in Gulf of Mexico

Oil production on the offshore platform has returned its pre-Katrina level of 350,000 b/d, exceeding available storage at the Louisiana Offshore Oil Port.

The Oil Daily, August 21, 2006

OPEC Survey Finds Only 9 Oil Rigs Working in Nigeria

The oil cartel found that only nine rigs were operational in Nigeria as of last month, an indication that oil and gas exploration and production in the country is not competitive. In comparison, Algeria had 27 rigs in operation last month and Saudi Arabia had 63. In 2005, Nigeria supplied about 8 percent of total U.S. oil imports.

<http://www.vanguardngr.com/articles/2002/cover/august06/21082006/f321082006.html>

Valero's Texas City Refinery Reports Flaring Over Weekend

According to a filing with the Texas Commission on Environmental Quality, inclement weather triggered flaring from several units at Valero Energy's 214,000 b/d refinery in Texas City on August 19 and 20.

Reuters, 17:48 August 21, 2006.

FCC Unit Restarts at Pasadena, Texas Refinery Aug. 18

According to a filing at the Texas Commission on Environmental Quality, Pasadena Refining began to restart the gasoline-producing fluidic catalytic cracking unit at its 100,000 b/d refinery. The cracking unit shut on August 15 due to a compressor failure and the restart was planned to last through August 20.

Reuters, 18:36 August 18, 2006.

Natural Gas

FERC Approves Pipeline Connecting Texas and Louisiana Gas Hubs

The U.S. Federal Energy Regulatory Commission gave final environmental clearance to a 172-mile pipeline project that will connect the Carthage Hub in Texas to the Perryville Hub in Louisiana. The project has been proposed by CenterPoint Energy Gas Transmission.

Intelligence Press, August 21, 2006

Reuters, 16:20 August 18, 2006

Other News

Low Grade Emergency Declared at Exelon's Peach Bottom Nuke Station in Pennsylvania August 15

The emergency was declared due to a small fire on the roof that houses the emergency diesel generator. The fire took place during a test of the generators. The exhaust pipe apparently set the roof on fire. The on-site fire brigade quickly extinguished the fire.

York Daily Record, August 18, 2006

Alternative Energy Sources to Build 110 Million Gallon Ethanol Plant in Illinois

Alternative Energy Sources announced that it plans to build a 110 million gallon per year ethanol plant in Kankakee, Illinois, 65 miles south of Chicago. The plant is adjacent to the Canadian National/Illinois Central railroad and Interstate 57, making it convenient for both rail and truck transport. The company plans to serve neighboring communities in Northeastern Illinois and Northwestern Indiana.

Reuters, 07:04 August 21, 2006

Energy Prices

U.S. Oil and Gas Prices August 21, 2006			
	Today	Week Ago	Year Ago
CRUDE OIL West Texas Intermediate U.S. \$/Barrel	72.12	73.33	66.51
NATURAL GAS Henry Hub \$/Million Btu	6.72	6.89	9.09

Source: Reuters

Energy Notes

Update: Vandalism Ruled Out as Cause of Aug. 16 Power Outage in Oregon

<http://www.democratherald.com/articles/2006/08/18/news/local/friloc03.txt>

Copper Theft Leads to Second Power Outage in Oklahoma Aug. 18.

<http://www.kotv.com/news/?109641>

NRC Expecting Applications for 27 New Nuclear Units

<http://www.platts.com/Nuclear/News/7655263.xml?p=Nuclear/News&sub=Nuclear>

Florida Plant Seeks Recycle Landfill Waste and Make Gas to Power 43,000 Homes

http://pro.energycentral.com/professional/news/power/news_article.cfm?id=7051978

Links

This Week in Petroleum from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

Weekly Petroleum Status Report from EIA

http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

Natural Gas Weekly Update from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

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